

AMENDED IN SENATE JUNE 24, 2015

AMENDED IN ASSEMBLY JUNE 2, 2015

AMENDED IN ASSEMBLY APRIL 30, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 870

Introduced by Assembly Member Cooley

February 26, 2015

An act to add and repeal Chapter 1 (commencing with Section 15290) of Part 6.6 of Division 3 of Title 2 of the Government Code, relating to housing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 870, as amended, Cooley. Homelessness: rapid rehousing.

Existing federal law, the American Recovery and Reinvestment Act of 2009, allocated, until September 30, 2011, \$1.5 billion to the federal Department of Housing and Urban Development for the Homelessness Prevention Fund, to be used for homelessness prevention and rapid rehousing. *Existing federal law, known as the Emergency Solutions Grants Program, provides grants to states, local governments, and private nonprofit organizations, as specified, for specified housing assistance activities.* Existing law, the California Work Opportunity and Responsibility to Kids Act, provides housing supports to individuals if the administering county determines that the individual or his or her family is experiencing homelessness or housing instability that would be a barrier to self-sufficiency or child well-being and declares that it is the intent of the Legislature that housing supports utilize

evidence-based models, including those established in the federal Department of Housing and Urban Development's Homeless Prevention and Rapid Re-Housing Program.

This bill would establish a 2-year ~~pilot~~ *enhancement* program within the Department of Housing and Community Development for awarding grants to counties *and private nonprofit organizations* that operate a rapid rehousing program. The bill would require the department to *develop guidelines to select 4 counties and private nonprofit organizations to receive these grant funds, giving funds and require that eligible counties and private nonprofit organizations include those that are eligible to receive funds from the state pursuant to the Emergency Solutions Grants Program with a demonstrated high funding need.* The bill would require the department to give priority to counties with existing programs that have demonstrated effectiveness in providing ~~supporting housing~~ *rapid rehousing* for homeless individuals and veterans. This bill would appropriate \$2 million for 2 years from the General Fund to the department and require the department to distribute this money equally to each of the ~~4 counties~~, *selected counties and private nonprofit organizations*, less an amount of up to 5% deducted for administrative purposes. The bill would repeal these provisions as of January 1, 2018.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) In 2013, the United States Department of Housing and Urban
- 3 Development (HUD) reported that California has nearly 40,000
- 4 chronically homeless persons, which is 36 percent of the total
- 5 chronically homeless population of the United States. This is due
- 6 in large part to an insufficient amount of affordable housing in
- 7 California.
- 8 (b) HUD also reported that there are over 15,000 homeless
- 9 veterans in California.
- 10 (c) Several studies, including one by the Journal of the American
- 11 Medical Association, have demonstrated that it is far more cost
- 12 effective and efficient to provide the homeless with permanent,
- 13 supportive housing through "rapid rehousing" and "housing first"

initiatives. These measures also reduce the cost to governments of funding shelters and emergency services.

SEC. 2. Chapter 1 (commencing with Section 15290) is added to Part 6.6 of Division 3 of Title 2 of the Government Code, to read:

CHAPTER 1. RAPID REHOUSING ~~PILOT~~ ENHANCEMENT PROGRAM

15290. For the purposes of this chapter, the following definitions shall apply:

(a) "Department" means the Department of Housing and Community Development.

(b) "Homeless" has the same meaning as defined in Section 91.5 576.2 of Title 24 of the Code of Federal Regulations.

(c) ~~"Pilot"~~ "Enhancement program" means the program established pursuant to this chapter for distributing funds to ~~counties~~ *counties and private nonprofit organizations*.

(d) "Private nonprofit organization" has the same meaning as defined in Section 11371 of Title 42 of the United States Code.

15290.5. (a) There is hereby established a two-year ~~pilot~~ *enhancement* program in the department for awarding grants to ~~counties and private nonprofit organizations~~ that operate a rapid rehousing program. The department shall administer the ~~pilot~~ *enhancement* program.

(b) The department shall *develop guidelines to* select four ~~counties or private nonprofit organizations~~ to participate in the ~~pilot~~ *enhancement* program. *Eligible counties and private nonprofit organizations shall include counties and private nonprofit organizations eligible to receive funds from the state pursuant to the federal Emergency Solutions Grants Program (42 U.S.C. Sec. 11371 et seq.) with a demonstrated high funding need.* The department shall select ~~counties and private nonprofit organizations~~ by giving priority to those ~~counties or private nonprofit organizations~~ with existing rapid rehousing programs that have demonstrated effectiveness in providing ~~supportive housing and homelessness prevention~~ *rapid rehousing* for individuals and veterans of the United States military experiencing homelessness.

(c) *Counties and private nonprofit organizations selected to receive funds pursuant to this section shall comply with the*

1 *reporting requirements as required by the department under state*
2 *and federal regulations implementing the Emergency Solutions*
3 *Grants Program (42 U.S.C. Sec. 11371 et seq.).*

4 15291. (a) (1) The sum of two million dollars (\$2,000,000)
5 is hereby appropriated from the General Fund to the department,
6 exclusively to be distributed to the counties *and private nonprofit*
7 *organizations* selected pursuant to Section 15290.5 and for the
8 administration of this chapter.

9 (2) The department shall use not more than one million dollars
10 (\$1,000,000) of the amount appropriated in paragraph (1) in each
11 year of the ~~pilot~~ *enhancement* program for the purposes authorized
12 by this section.

13 (b) (1) The department shall distribute an equal amount of the
14 money received pursuant to this section each year, less any amount
15 deducted for administrative purposes, to each of the ~~four counties~~.
16 *selected counties and private nonprofit organizations.*

17 (2) The department may use up to 5 percent of the money
18 received pursuant to this section for the purpose of administering
19 this chapter.

20 15291.5. This chapter shall remain in effect only until January
21 1, 2018, and as of that date is repealed.